

## JONES DAY

222 EAST 41ST STREET • NEW YORK, NEW YORK 10017.6702  
TELEPHONE: +1.212.326.3939 • FACSIMILE: +1.212.755.7306

DIRECT NUMBER: (212) 326-3418  
HFSIDMAN@JONESDAY.COM

August 15, 2013

### VIA ELECTRONIC MAIL

The Honorable Martin Glenn  
United States Bankruptcy Judge  
United States Bankruptcy Court  
Southern District of New York  
One Bowling Green  
New York, NY 10004

Re: *In re Residential Capital, LLC, et al.*,  
Case No. 12-12020 (MG)

Dear Judge Glenn:

We represent Financial Guaranty Insurance Company (“FGIC”) in the above-captioned action. In accordance with the Court’s Scheduling Order, as supplemented, [Docket Nos. 4168, 4363], we write to request leave to add a single document to FGIC’s exhibit list (the “FGIC Exhibit List”), in connection with the August 16 and 19, 2013 hearing on the *Debtors’ Motion Pursuant to Fed. R. Bankr. P. 9019 For Approval Of the Settlement Agreement Among The Debtors, FGIC, The FGIC Trustees and Certain Individual Investors* [Docket No. 3929] (the “FGIC 9019 Motion”). The Scheduling Order, as supplemented, permits the addition of exhibits, at the Court’s direction.

On August 5, 2013, after the July 31, 2013 exhibit list submission deadline in this case, counsel to the Federal Housing Finance Agency (“FHFA”)—the conservator of The Federal Home Loan Mortgage Corporation (“Freddie Mac”), an objector to the FGIC 9019 Motion—filed the Affirmation of Christopher P. Johnson (the “FHFA Affirmation”) in FGIC’s state court rehabilitation proceeding, *In re Rehabilitation of FGIC*, Case No. 401265/2012 (N.Y. Supreme Court). A copy of the FHFA Affirmation is annexed to this letter as Exhibit A.

The FHFA Affirmation confirms the attendance by counsel for the FHFA at the Court-ordered mediation in this case and thus is relevant to the factual record upon which the FGIC 9019 Motion will be decided. On August 8, 2013, FGIC alerted counsel for the Objectors<sup>1</sup> to

---

<sup>1</sup> The “Objectors” are Monarch Alternative Capital, LP, Stonehill Capital Management LLC, CQS ABS Master Fund Limited, CQS ABS Alpha Master Fund Limited, Bayview Fund Management LLC, Freddie Mac, and the Ad Hoc Group of Junior Unsecured Noteholders.

Hon. Martin Glenn  
August 15, 2013  
Page 2

the FGIC 9019 Motion to this issue and requested that they promptly indicate whether they would consent to such limited supplementation of the FGIC Exhibit List. On August 12, 2013, counsel for Freddie Mac provided written consent to this limited supplementation of the FGIC Exhibit List. The remaining Objectors have not responded to FGIC's August 8, 2013 request.

Accordingly, FGIC respectfully requests leave to add the FHFA Affirmation to the FGIC Exhibit List.

Respectfully submitted,

*/s/ Howard F. Sidman*

Howard F. Sidman

Enclosure

cc: Counsel for the Objectors (via electronic mail)  
Counsel for FGIC Trustees (via electronic mail)  
Counsel for the Debtors (via electronic mail)

**IT IS SO ORDERED.**

Dated: August 15, 2013  
New York, New York

**/s/Martin Glenn**  
MARTIN GLENN  
United States Bankruptcy Judge

# EXHIBIT A

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK**

-----	<b>X</b>	
<b>In the Matter of</b>	:	Index No. 401265/2012
	:	
<b>the Rehabilitation of</b>	:	I.A.S. Part 36
	:	(Ling-Cohan, J.)
<b>FINANCIAL GUARANTY INSURANCE</b>	:	
<b>COMPANY</b>	:	Re: Motion Sequence No. 16
	:	
	:	<b>AFFIRMATION OF</b>
	:	<b>CHRISTOPHER P. JOHNSON</b>
	:	
-----	<b>X</b>	

**CHRISTOPHER P. JOHNSON**, an attorney admitted to practice before the courts of this State who is not a party to this action, hereby affirms, under the penalties of perjury, pursuant to CPLR 2106, the truth of the following:

1. I am a member of Kasowitz, Benson, Torres & Friedman LLP ("KBTF"). KBTF is counsel of record for the Federal Housing Finance Agency (the "FHFA"), in *Federal Housing Finance Agency, as Conservator of the Federal Home Loan Mortgage Corp., v. Ally Financial, Inc., et al.*, which is pending in the United States District Court for the Southern District of New York (the "SDNY") before the Honorable Denise L. Cote, U.S.D.J., under index number 11 Civ. 7010 (the "*Ally Action*"). I am informed and believe that FHFA placed the Federal Home Loan Mortgage Corporation ("Freddie Mac") into conservatorship pursuant to express authority granted under the Housing and Economic Recovery Act of 2008.

2. On or about April 22, 2013, I attended a court-ordered mediation in the *Ally Action* at the SDNY before United States Magistrate Judge James C. Francis (the "SDNY Mediation"). The other parties participating in that SDNY Mediation included *Ally Action* defendants Ally Financial, Inc. ("AFI") and Ally Securities LLC ("Ally Securities"). I became

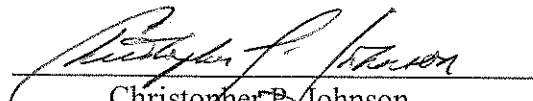
aware at around that time that a separate mediation was being simultaneously conducted in the *In re Residential Capital LLC* bankruptcy matter (the “*ResCap* Mediation”) at the Kramer Levin Naftalis & Frankel LLP law firm (“Kramer Levin”). At the conclusion of the SDNY Mediation on April 22, I proceeded directly to the *ResCap* Mediation at Kramer Levin. My only purpose in attending the *ResCap* Mediation was to pursue settlement discussions directly with AFI with respect to the *Ally* Action.

3. I attended another *ResCap* Mediation session at Kramer Levin on April 23. I thereafter attended a mediation session at U.S. Bankruptcy Court on April 30 and another mediation session at Kramer Levin on May 2. On each occasion, my only purpose in attending was to pursue settlement discussions with AFI with respect to the *Ally* Action.

4. Throughout the time I was attending *ResCap* Mediation sessions, I was unaware that Freddie Mac had asserted claims against the Federal Guaranty Insurance Corporation (“FGIC”), which is now in rehabilitation. I was unaware of whether FGIC attended the *ResCap* Mediation, I do not recall having been approached by anyone at the *ResCap* Mediation regarding Freddie Mac’s claims against FGIC, and I do not recall ever having been told by anyone at the *ResCap* Mediation that Freddie Mac’s claims against FGIC were even a subject of discussion there. More specifically, no one ever told me the terms of any settlement between *ResCap* and FGIC settlement and I never consented to any such settlement on behalf of the FHFA. Indeed, because my presence at the *ResCap* Mediation related solely to AFI and the *Ally* Action, if anyone at the *ResCap* Mediation had inquired of me regarding Freddie Mac’s claims against FGIC, I would have told him or her that I was not the appropriate person to address the issue.

5. I do not believe I have ever met John Dubel, FGIC's Rehabilitator, and I do not recall having spoken with anyone at the *ResCap* Mediation who identified himself or herself as counsel for FGIC or counsel for the Rehabilitator.

Dated: New York, New York  
August 1, 2013

  
Christopher P. Johnson

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

-----X

**INDEX NO.: 401265/2012**

In the Matter of

the Rehabilitation of

FINANCIAL GUARANTY INSURANCE COMPANY,

-----X

---

**AFFIRMATION OF CHRISTOPHER P. JOHNSON**

---

**MOSS & KALISH, PLLC**

Attorneys for PROPOSED INTERVENOR FREDDIE MAC

**Office and Post Office Address**

**122 East 42<sup>nd</sup> Street, Suite 2100**

**New York, New York 10168**

**(212)867-4488**